

# EXHIBIT H



May 2, 2007

*Sent Via: Hand Delivered*

The Honorable Baldwin Spencer  
Prime Minister Antigua and Barbuda  
Prime Minister's Office  
Queen Elizabeth Highway  
St. John's

**RE: ABST & Customs**

Dear Prime Minister Spenser,

I write to ask for your intervention and advice in two areas that are having a negative impact on the university and its' educational program.

1. **The ABST**

As you know AUA borrowed money to build its Antigua campus. At the time the budget for the campus was submitted to the lender (though certain contingencies were taken into account) there was no provision for an ABST and in fact the money was loaned with the lenders knowledge that AUA per contract and cabinet decision was exempt from consumption taxes, which the ABST replaced.

While it seems clear that since the ABST has replaced the consumption tax that AUA is exempt from those taxes we have not been able to obtain government confirmation of this for our lenders. To add 15% to the cost of constructing the AUA campus, will make it impossible to complete the project, and could jeopardize additional funding of the project.

Last time we spoke you had indicated that the Government was aware of the issues created by the ABST and projects that had already been funded and that you expected to have this issue addressed in the near future.

I would appreciate it if you could provide me with some assurances in this regard, so that I can pass it on to our lender, especially in light of AUA's exemption from consumption tax.

2. **Educational Supplies**

AUA is having continued problems getting educational supplies released from customs. For example, we have had bones in customs for approximately four (4) months. These bones are needed in order to properly teach anatomy. Therefore students who were enrolled in our anatomy course were deprived of some necessary teaching tools for last semester. It is our belief that we have provided all necessary documentation to have those bones released months ago.

This may not have an immediate economic impact on the university. However, it does have an impact on the quality of the educational program that we provide to our students which in my view is of paramount importance. Please understand that if this was just an issue of the bones or one or two shipments that we had difficulty with, I would not take up your valuable time requesting your advice. However, this seems to be an ongoing pattern with educational supplies. I am therefore asking for any advice or assistance that you can provide to help alleviate this continuing problem.

Thank you in advance for any assistance you can offer.

I look forward to seeing you at the AUA official Groundbreaking Ceremony on June 16<sup>th</sup>, if not before.

Sincerely yours,

Neal S. Simon

NSS:kbk